GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1957
ANSWERED ON:03.08.2001
CANE PRICE ARREARS
SULTAN SALAHUDDIN OWAISI

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the cane arrears have risen to 12,5475.43 lakhs in 2000-2001 from Rs.797 crores in 1999 which account about 32% of total cane price;

(b) if so, the details and main reasons thereof;

(c) whether the Government have taken some special measures including amendment in Sugarcane (Control) Order, 1966 to recover the cane price arrears;

(d) if so, the total arrears recovered by the Government after amendment of the aforesaid order till now and steps initiated to recover arrears expeditiously;

(e) whether the farmers have diverted their attention to other crops due to non-payment of cane arrears; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (S SREENIVASA PRASAD)

(a) &(b): The cane price payable amount, cane price paid amount, the cane price arrears amount and the percentage of cane price arrears for 2000-2001 sugar season as on 31st May, 2001, was as follows:

Rs. In crores

(i) Cane price payable amount 11672.78

(ii) Cane price paid amount 10305.61

(iii) Cane price arrears amount 1367.17

(iv) Cane price arrears as percentage to (I) above 11.7%

Similar details for the 1999-2000 sugar season as on 31st May, 2000, was as follows:

Rs. In crores

(i) Cane price payable amount 8275.04

(ii) Cane price paid amount 7333.03

(iii) Cane price arrears amount 942.01

(iv) Cane price arrears as percentage to (I) above 11.4%

It may be observed from the above that the cane price payable amount in 2000-2001 sugar season has increased by Rs.3397.74 crores, while the cane price paid amount has increased by Rs.2972.58 crores as compared to the preceding sugar season. The increase in the cane price arrears has been Rs. 425.16 crores but percentage-wise, the cane price arrears during the 2000-2001 sugar season is 11.7% of the cane price payable amount against 11.4% in the preceding sugar season. The increase in the cane price arrears amount is mainly on account of increase in the cane price payable amount.

(c): The Sugarcane (Control) Order, 1966 has been amended empowering the Central Government/ State Government to recover cane price arrears as arrears of land revenue. A sub-clause (aa) has been introduced to Clause 9 of the Sugarcane (Control) Order, 1966 under which the Chief Director (Sugar), Directorate of Sugar, Department of Food and Public distribution has been authorized by the Central Government who can direct any producer of sugar or his agent to maintain and furnish within 7 days of the close of each fortnight to the Directorate of Sugar the details of cane purchase, cane price due, cane price paid, cane price arrears for each fortnight as specified in the 3rd Schedule to the Amendment Order.

(d): The central Government, apart from reviewing the cane price payment position from time to time, has written to the State Governments for expediting clearance of cane price dues to the farmers. The Central Government has reduced the levy percentage of sugar factories from 40 to 30 w.e.f. 1.1.2000 and subsequently from 30 to 15 w.e.f. 1.2.2001 In addition, Central Government grants advance freesale releases to needy sugar factories for payment of cane price dues.

(e)&(f): No State Government has reported the diversion of sugarcane area to other crops due to non payment of cane price arrears by the sugar factories.